

TOWN COUNCIL MEETING
December 19, 2011

The Town Council meeting was held in the Moose Hill Council Chambers, Town Hall, 268B Mammoth Road, Londonderry.

PRESENT: Town Council: Chairman Sean O’Keefe; Vice Chairperson, Joe Green; Councilors: Tom Dolan, John Farrell, Tom Freda; Town Manager Dave Caron; Assistant Town Manager – Finance & Administration, Sue Hickey; Executive Assistant, Margo Lapietro.

Budget Members: Chair, Todd Joncas; Vice Chair, Richard Dillon; Secretary Lisa Whittemore; John Curran, Dan Lekas, Chris Melcher, Tom Dalton.

CALL TO ORDER

Chairman O’Keefe opened the meeting at 7:20 PM with the Pledge of Allegiance. This was followed by a moment of silence for the men and women fighting for our country.

PUBLIC COMMENT

Councilor Farrell suggested the Council ask the Town Manager to have the Town Attorney engaged in all further meetings with the Woodmont project. He said he wants to make sure that the Planning Board has all the resources necessary to represent the residents of the town. This is the first time we have engaged in the PUD Ordinance and we should understand it completely and have the Town Attorney represent the citizens, Planning Board and staff. The consensus was to direct the Town Manager to have legal representation at the meetings.

Dottie Grover – Director of Cable Services - D. Grover recommended that the annual check given to the LEO-21 per Order 2005-13 be increased to \$13,500 for cable related activities, to be withdrawn from the cable special revenue fund. The relationship between the studio and the school has a lot more of information sharing. She has an accounting of exactly where the funds go and said the school has an opportunity to get new equipment at a reduced rate. Councilor Freda asked if she was suggesting the money come out of the cable funds undesignated fund balance, D. Grover responded yes because that is where the \$7,500.00 has routinely come out of. Town Manager Caron responded he will come back with an Order if there is Council consensus. Councilor Dolan asked if that is applied to expenditures for the FY12 or FY13 budget. D. Grover responded it will be paid for in this year’s budget because it has not been drawn out yet from that budget. The consensus was to prepare an Order.

Martin Srugis, 17 Wimbledon Drive said last year the school paid \$1K for cable services. Since we collect a fee in town for the cable studio for the benefit of the town he said he would like to see the cable studio pay for all of it. He said he does not know why we are charging the school for supplies; they should be part of the cable service for the whole town. (Note: the Town does not charge the School for supplies; the supplies listed in the School budget is for its curriculum and not associated with school cable programming or services). At the Planning Board meeting

last Wednesday he asked why the Planning Department didn't review the Woodmont proposal within the 30 day required by the Ordinance. Councilor Farrell responded the applicant asked to deviate from that plan and not use Stantec and by a Request for Proposal (RFP) get another consultant/engineering firm. As a result, more time is needed to complete the RFQ selection process. M. Srugis asked why the applicant didn't trust Stantec. The Planning Department wrote the PUD and they would understand it. Councilor Farrell responded the applicant asked the Planning Board to use a different reviewer; the Planning Board agreed to that, there is nothing written in the PUD to address that. We have engaged the town attorney to make sure the Town is proceeding correctly. M. Srugis said every time we have a PUD over 100 acres will every developer have the right to ask for an outside engineering firm to review the plans. Councilor Farrell responded the developer pays for the review; it is definitely an option to them. Town Manager Caron explained the application was submitted in mid October. He discussed it with staff and the applicant requested a hearing on 12/14/11. If the town had followed its normal course of review staff would have had a recommendation ready on the 14th. The applicant requested independent proposals for that review so that extends the process. Community Development Director Andre Garron added that staff did start to review the application but at the 11/2/11 meeting the Planning Board opted to move forward with the third consultant to review the application from its inception to its conclusion. The third-party review will take control of the application; they will review it from beginning to end and we will work with the consultant as opposed as to having two different reviews.

Councilor Green said there was a recent newspaper article where he was incorrectly quoted as saying that the Town Manager was wrong, he clarified that he did not say that.

PUBLIC HEARING

Councilor Farrell made a motion to enter into public hearing, second Councilor Dolan. Council's vote was 5-0-0.

FY 13 Budget Hearing – Town Manager Caron stated that this is the Council's first public hearing on the proposed FY13 budget. The Council voted at the last budget workshop on 12/1/11 to present a default budget plus \$300K. He recommended public input on articles separately, and suggest not taking public comment on Article 2 which is for the Highway Reconstruction Bond because it has a separate public hearing scheduled for 12/28/11. Councilor Dolan said this is our first meeting where we are listeners, he said he would like to hear suggestions to add, subtract, what you need for services, what your priorities are.

Mary Wing Soares asked Council to begin with Article 7 – Special Revenue Funds - Sewer Division; Cable Division; Police Outside Details because there were children in the audience who wanted to address that Article. Consensus was to start with Article 7. Richard Belinski. - 41 Hall Rd. said he had a problem with cable. He said that according to state law it says that any unused funds cannot be used for any other purpose unless the legislative body of the town votes a certain appropriation and that appropriation if approved has to be used for something to do with sewer, cable or police depending on which special revenue fund you are taking it out of. He proceeded to quote RSA 31; 95-c where it explains that any surplus is not deemed part of the general fund. Town Manager Caron explained the process, whereby once revenues reach the cable division surplus you can only use those funds for cable related purposes. The process that the town uses is that when the funds are received from Comcast a certain percentage goes to the

cable division to pay for cable related expenses and a percentage goes to the general fund to assist with the payment of taxes (\$105K) which is the 1.5% of the 5% franchise fee that Comcast pays goes directly to the general fund; the 3.5% goes into the special revenue fund to pay for that years operating budget. R. Belinski said the law doesn't say you can split it up, those revenue funds collected are supposed to go into the special revenue fund. He said people have voted at town meeting to put the money into the special revenue fund. Putting it into the general fund and then taking out what you want and put into the special revenue fund is not what should be done. Councilor Freda asked when the people voted to restrict the funds to only go into the special revenue funds. R. Belinski said it is an annual vote and they voted in 2010. It was the full anticipated 5% of the cable fees, not the cable fees less the amount you wanted to take. Councilor Freda asked if the townspeople voted at some time to put all the cable funds into the special revenue fund. R. Belinski said the people voted to put all of the 5% into the cable funds. Chairman O'Keefe asked for clarification if it was all of the 5% that was put into the cable funds. Town Manager Caron explained the voters approve a Cable Division operating budget and have further approved a Town operating budget with offsetting revenues which include a portion of cable franchise fees. Councilor Dolan said when the people vote on the \$265K cable budget they can be assured that that money will be used for the cable budget; the Town Manager responded that is correct. R. Belinski said he will start a petition to have all the money put in the cable fund. He said it needs to be made clear to the people what you are doing with the funds. R. Belinski said the majority of people want the funds there. Councilor Dolan stated it is very clear that all of the \$265K is going into the cable fund. R. Belinski said the roughly \$450K that has been taken the last 5-6 years he would like to see it put back into the cable fund, the town didn't have the right to take it. Councilor Farrell said it can be changed that all of the money goes into the general fund. We are told the way we are preceding is correct; nothing has been changed since last year. R. Belinski asked if we had a legal opinion in writing and can he have a copy of it. Chairman O'Keefe asked if he could get an answer from Counsel. R. Belinski said people think the whole amount goes to cable. Councilor Dolan said moving 3.5% into a special revenue account has been a very public action it was not done in an underhanded way. Councilor Freda said when it gets into the special revenue account it has to go directly to cable everybody agrees to that. Prior to that it can be used for any purpose; the law is very clear. Pasqual Vitali, 75 Mammoth Rd. said in 2000 Council passed a Resolution that says 5% can go into the general fund. After that \$40K a year was taken out of that fund which was against the 2000 Resolution. Since then Council passed another Resolution changing it to 1.5% and 3.5%. You cannot take out monies from the special fund that is not being used for cable. Logan Wright, 7 Gary Dr. is a student in the Londonderry school system said he enjoys being part of the cable studio and explained that Erin Barry has done a lot and has influenced a lot of students. Because of her influence he stated he would like to major in video production. Elana Janelle, 10 Acorn Dr., another student said not one penny of the cable is used by tax dollars. If you take away Erin you take away a lot from the community. Councilor Farrell congratulated the students on an excellent presentation and stated that Erin is valued resource to this community. Councilor Dolan thanked them for appearing. Denis Martin, 182 Pillsbury Rd. said the money should go to cable access. Mary Soares, 17 Gail Rd. agrees that 5% should stay with the access center. Councilor Green asked her if she is suggesting that when the Director retires she wants to keep 3 positions, Mary said yes. Deborah Sullivan 9 St. Charles St. said she represents the LAC-TV youth media group. She talked about how valuable the program is and how important it is to keep the 3 employees. Councilor Farrell clarified that we are not asking for Erin to be removed. The information that was sent out from cable services is incorrect. Last year the Council needed to eliminate a position. The Director said don't eliminate a position because she was going to

retire in FY12. Council said okay, we will work with you for a year. We came to budget hearings this year and the Director said she is not retiring until September. Council then responded they will work with her until December. Then this article comes out that we are getting rid of Erin, nobody is getting rid of Erin. We asked the Director to give us a budget for 2 people, based on her promise to retire. We have not seen a budget for 2 people. Town Manager Caron said that D. Grover submitted a list of responsibilities for 3 people; and in her view which responsibilities would continue with 2 full-time employees. Councilor Farrell said what we have asked for and not received is a budget number for 2 full-time employees. We can put a budget together with those people in it and it can go to the Deliberative Session, and it can be changed. D. Sullivan said she wants to keep it the way it is. Dot Grover, Cable Director said last year it came up about going to a hearing about the decision and that was done. She said she remembered she said she was going to retire in 2012; she never had a specific date. She said she meant the calendar year not the fiscal year and if anyone was misled it was unintentional and she apologized for that. She said was called and told when the budgets were released that the amount that was going to be requested was \$65K. She said she asked if it was the position of trainer, and she was told yes. Town Manager Caron clarified that the amount of money taken from the budget was the trainer position. It has been made clear on numerous occasions that it is not necessarily the position taken out of the budget. The reason the trainer position was selected was because it is the least expensive position in the budget so it would provide the Division with maximum flexibility with the remaining funds to redefine the other two jobs. The money for the trainer was identified but it was very clear though that necessarily this was not the position to be eliminated. D. Grover said it was definitely made clearer later but at that time she could not support that decision. Later on the Town Manager did specify that that was the money he was looking for. She said when the budget talks started it was a person and has been perceived as a person since because of the dollar amount. She pointed out that the next person coming in probably would not start at the same salary as hers, so that would be a savings. Let the new person who is going to be the director decide if 2 or 3 people would be best. She said she is absolutely retiring in 2012; she does not have a date yet. She would like to allow the trainer to keep her job. Councilor Freda asked her how can the Council evaluate her budget if she has not submitted a 2 person budget. She replied the Town Manager has already done one for 2 people and the only change she would make although she did not agree with the budget is the \$10K out of the equipment line. Councilor Freda said now that your change is being accommodated; meaning her retirement; has she looked at anywhere else she could make the cuts. D. Grover responded \$28K is the contracted amount to be spent on equipment per year. Prior to this last contract it was \$29K. Councilor Freda replied he was hoping that what she would come up with is how she is going to make up the shortfall, or at least some way to come up with it. If we keep 3 you have "x" amount of money how are you going to operate. D. Grover responded she has approximately \$380K plus coming in. Councilor Freda said the \$104K is the other part of the parameter. He said he would like to see her work with that because it is coming to the general fund. D. Grover said it can happen with a 3 person budget and the \$104K still going into the general fund. What can't happen is going forward on an ongoing basis if the town continues to take \$104K and transfer that into the general fund, we will eventually lose our reserve and have to make reductions. Councilor Freda asked her if she can find the money to keep the 3rd person as long as the general fund gets the \$104K. D. Grover said her original budget will support 3 people. Councilor Dolan said he hopes the retirement decision is her decision and she is not being forced into it. Chairman O'Keefe said he does not appreciate the innuendos that have been going around that she was being forced to retire. Mike Brown, 5 Carousel Court, asked how other communities handled the franchise fee? Town Manager Caron responded some

communities take all 5% of the franchise fees, some take a portion which varies from community to community. He said there are no federal or state laws requiring the towns to use franchise fees revenues for cable related purposes. M. Brown said it is a policy decision, the Council should not be accused of doing anything illegal or improper. The changes proposed last year including one less position it was the goal to reach a flat tax. Other towns don't have 3 full positions. The expectation by three Councilors that were on the board last year was to agree to keep staffing the way they were in lieu of changes that were going to voluntarily take place in staffing for that budget season. Staff was expected to be reduced to 2 in 2012, the expectation was clear. He is not in favor of increasing the tax rate, he wants the 1.5% from the cable fund. Councilor Dolan expressed concern that we had the whole rest of the budget to discuss, give the public the opportunity to talk we have a lot more to discuss. Cindy Eaton, 16 Clark Rd said she wants all 5% to go to Cable, the Resolution was for only 1 year. Town Manager Caron said the Resolution was for FY12 only which can be revisited at any time. The reason it is back on the table today is we are discussing the FY13 budget. Budget member Dan Lekas asked if we shut down the cable studio would the Town still receive a cable franchise fee, Town Manager Caron responded yes. Councilor Farrell said last year we looked at taking 1.5% over a ten year period we would still have money. If we took 2.5% and went to 2 employees we still would have money. He pointed out that the town is down employees over the past 10 years. Martin Srugis, 17 Wimbledon Dr. said this is a classic case of wants versus needs. People are on fixed incomes, they can't handle prices going up. Once it goes into the special revenue fund you can only spend it on cable items. M. Srugis said we have 5 channels, we don't need that much. Pasqual Vitali, 75 Mammoth Rd. stated that Londonderry has the best cable access center in the country. We hire good people and we have the money. Article 7 is self funding, there is no tax impact on the town. He said the Town Manager asked D. Grover to cut \$10K out of her budget and he asked where that was going. He responded if the budget is reduced by \$10K that is entirely separate from the process of where the franchise fees are allocated. If there are funds left over in the cable division budget at the end of the year that goes into a special revenue fund. The \$265K is the recommended budget based on 2 personnel.

Article 2 – Highway Reconstruction Bond will be discussed at the bond hearing on 12/28/11.

Article 3 – Expendable Maintenance Trust - M. Brown, 5 Carousel Ct. said it is proposed that capital reserve and maintenance trust be funded at \$1.135M in the FY13 budget, articles 3,5,6 9 make up that amount. Town Manager Caron stated that Article 3 is the only one for the expendable maintenance trust. Similar to previous years the requested appropriation is \$200K which is offset by the general fund undesignated fund balance of \$100K, which results in a net to be raised of \$100K or 3 cents on the tax rate. M. Brown said those areas were reduced over the last couple of budgets, he is uncomfortable increasing those 4 articles. It goes to 12 cents this year, last year it was 0 cents; a 116% increase is too much. Councilor Freda said it was inordinately low last year. M. Brown said he understands the attempt to catch up, but the economy hasn't changed from last year to this year; 0 last year 12 cents this year. He asked about finding a median. Councilor Farrell asked the Town Manager how many years were they underfunded and for how much. The Town Manager responded the plan has been revised for the past 3 years. The additional tax dollars requested to be raised is \$25K. Article 5 the capital reserve fund is \$35K. The reason there is a large growth appropriation number is because we had past projects that were not completed, such as the South Londonderry sewer project, which is recommended to be re-appropriated to the capital reserve fund. The Londonderry Fire Department (LFD) equipment capital reserve is a new item; net tax impact is \$50K; the corridor

study is a new item, \$75K, with \$30K from UFB. All those issues the additional funds to be raised on the tax rate is a total \$155K as proposed for FY13. Councilor Farrell asked how much has been shorted for the past 3 years. Town Manager Caron went through each item and calculated it would be estimated at a \$200K tax impact between where we should be today as opposed to where we currently are. Councilor Farrell said for the last 3-4 budgets we have shorted the funds \$200K and you are asking for an additional \$150K this year to make up the \$200K. Town Manager Caron said we are looking for \$60K this year, the other two funds are new. Councilor Dolan said when the Town Manager comes back with those figures it would help if we had a strategic plan on the catch up. Town Manager Caron said by increasing the tax impact by \$50K a year we will still be short by approximately \$500K over 10 years. Councilor Green said this year it is essential vs. non-essential. He said if the town was to vote in the default plus \$300K he would like to see the gasoline items be used for that funding. Councilor Freda suggesting eliminating the part-time intern position for \$5K for the FY13 budget. He said there is a line item for \$17K to replace computers and suggested holding off on that. In General Government we would need to come up with \$50K. He suggested a reduction in library expenses. Town Manager Caron said the Trustees would appear at the 12/28/11 Council meeting with particulars. Councilor Freda asked if there were closure days at the library is that something that has to be negotiated with the unions. Town Manager Caron responded he would have to check the contract to see if it specifies hours. One of their proposals is to close the library one week per year and that issue would have to be negotiated. Budget Chair Todd Joncas said he did an analysis of surrounding libraries; we are among one of the top 3. Londonderry's library has a working budget of \$1,305,016 and is open 52 hours a week. This comes out to \$482/hour to operate. He said in his survey he found out that our operating budget is \$143K above the average. It is open 8.4 hours less than the average and costs \$110 more per open hour than the average. He said the question should be for the money we spend shouldn't it be open 67 hours a week. He said he did a similar analysis of the police, fire and public works and they are doing extremely well. He said the public works is under budgeted statistically. Councilor Dolan asked what the budget would be if it conformed to the average budget in his analysis. Councilor Dolan said he reviewed the library union contract and there were no hours of operation in it. T. Joncas said the budget for the library based on an average would be \$1,1372.32, roughly about \$300K less than what is being proposed. Budget member Lisa Whittemore said there is a lot of utilization of the library. She said you should also compare the programs offered in Londonderry compared to other communities. Councilor Green said there were 38 items that he identified as add-ons to the default budget. Now it is down to 22 items. He said it is useful to look at those items one by one. Town Manager Caron went through some of the recommended items that were identified to be removed from his recommended budget. Councilor Farrell asked the Town Manager if we go to the default budget are we still laying people off; he responded no. Councilor Farrell said he went into this budget with the idea that we are going to tell the taxpayers what it takes to run this town. He said he doesn't think the default plus \$300K will pass with the voters but he does think if we can explain \$200K over default it is a budget that would have a chance to pass. For our next meeting we have to get to that point to have a real conversation. Chairman O'Keefe asked how much flexibility we had with the IT budget. S. Hickey explained management services and contracted services are contractual totaling about \$260K. Councilor Freda said another idea he had was to eliminate Article 2 and putting perhaps \$200K back into the budget. Town Manager Caron responded it would be beneficial at the end of this meeting for Council to provide him with a number to work on and what their priorities would be to reach that number and how is the Council considering Article 8 regarding LFD staffing. M. Brown, Carousel Court said we are talking about one

article that drives the tax rate however that is not all that drives the tax rate. He said we should look at the items that are essential to run the town. Of the \$5.54M that is left there are ways to come up with the \$300K or more. Consider looking at things such as charitable contributions. Charity is a private matter, the town should not provide a charitable contribution by using taxpayer money. M. Srugis said he talked to the town environmental engineer about increasing the recycling rate from 21% up to 40% we could save \$165K in tipping fees. Reed Clark said he received 16 calls; 3 were about the school budget and 13 were about the town budget. The 13 expressed concern about staffing levels at the fire and police departments. He also expressed his opinion that roads be maintained.

Article 5- Capital Reserve Funds - Town Manager Caron said the requested amount allows the town to set aside funds for fire and highway heavy equipment. This year the Town realized a surplus of about \$365K from the South Londonderry sewer project, which is recommended to be included in the capital reserve fund to get us caught up. The tax impact is an increase of \$35K over what it is currently in FY12.

Article 6 – Fire Department Equipment – CR - This article is for new equipment for the LFD. Captain Doug Cardwell listed the equipment that was cut out in previous budgets due to budget constraints. The plan is for \$150K per year to continue with getting supplies which only last 10 years.

Article 8 – Fire Department Staffing - Town Manager Caron explained this is a separate warrant article which was requested by the Council to look at the cost impact of increasing LFD staffing levels to 11 per shift. There are two components: out of that \$403K, \$76K is for additional overtime replacement costs to bring it up to 10. \$327K is the cost to add four additional personnel. If we try to establish 11 per shift we may look at additional overtime. If we are striving for a level of maintaining 10 it will soften that a little bit. Councilor Green asked if the \$76K was included in the budgeted overtime of \$174K for all departments, Town Manager Caron said the total default budget does not include this number. L. Whittemore asked if this number brings us up to the national standards. Capt. Doug Cardwell responded it should be 15-16 per shift. Councilor Farrell asked if they added another ambulance how many personnel would they need, he responded an additional 2 people per shift. T. Joncas did a comparison of LFD and surrounding towns. The average was \$188,828.00 per square mile; Londonderry's cost is \$142,456.00. The cost per person is about \$247.00 per person; Londonderry is right at the average for costs per person and well below the average on a cost per square mile basis. L. Whittemore suggested that our Councilors approach our representatives in Concord to get help. Councilor Farrell responded they did that, nobody has money there are no grants available. Councilor Dolan listed the reductions in town staff over the past 10 years. He suggested looking at the charitable line item and pointed out we used to have a Welfare Dept. which has been outsourced to an agency. He asked how much we need to retain of that line item to keep that service and asked the Council to charge the budget committee to look at the non-welfare items on that line item. Town Manager Caron said that portion of the general assistance budget is \$63,336.00, it funds 12 agencies that provide services. Budget member John Curran said M. Brown suggested getting out of it altogether; the Budget Committee needs parameters. Councilor Dolan clarified we need to know how much needs to be there to satisfy our statutory requirements, whatever is left over is what they should decide what to do with it. T. Joncas said they will have it by 12/28/11. M. Brown, 7 Carousel said he is in favor of this article because it is an essential service.

Article 9 - Rte 102 Corridor Study Cap Reserve - Community Development Director A. Garron said in 1994 the town adopted an impact fee system, subsequently they adopted a traffic impact fee to include Rte 102 and Rte. 28. The Southern NH Planning Commission (SNHPC) came up with figures to assess these corridors and the last one was done in 2004. This year we have narrowed the scope down to the central corridor where most of the impact will be in the near future. Councilor Freda said if this is funded how long after 7/1/12 will it be completed. A. Garron said that it would take 60-90 days to do the study then the Planning Board will study it. He said once the Master Plan update is done and if the transportation is to a degree that they can use the information for roadway infrastructure he will integrate that information with the study. Councilor Freda asked if any of this information will be relevant to Woodmont, A. Garron responded no. The SNHPC identified a lot of land that has potential development. Councilor Freda questioned if we are duplicating the efforts of the Woodmont developer, A. Garron said no. John Curran asked if most of the money was going to consultants and if so why can't staff do it. He also asked if Woodmont has to do its own study. A. Garron explained the Town is hiring a traffic engineer, he doesn't have that discipline on his staff. As a new development comes in staff will look at the impact on present and future traffic plans. L. Whittemore encouraged voters to consider this study because of the increased development on Rte. 102 Budget member Rich Dillon asked if there is any contribution from the state because it is a state road. A. Garron said once we do the study and find what the needs for the corridor are we can petition SNHPC Commission to put that on the 10 year plan. If we can get the private share then we might be able to get a grant. M. Brown, 7 Carousel Rd. requested Councilors not put anything on a warrant we don't need to. He stated we can go without this, he is not in favor of it. L. Whittemore said she is in favor of it. Chairman O'Keefe said we should forego it this year and consider it next year.

Article 10 – Land Use Change Tax Allocation (LUC) - Town Manager Caron stated that the Town is anticipating a petitioned warrant article. The subject will be whether to continue directing 100% of the land use tax to the Conservation Fund or split it between Conservation fund or the general fund. Councilor Freda proposed a flat number of \$10K to the Conservation Fund. He recommended changing the LUC for a number of reasons. One is Woodmont but more importantly due to the Open Space Taskforce report that was just released. The plan was to have 25% of the town protected now it is 31%, they have exceeded their expectations. Now is the time to return the funds to the general fund.

Councilor Dolan made a motion to close the public hearing, second Councilor Farrell. Council's vote was 5-0-0.

Town Manager Caron outlined what he will need for the 12/28/11 meeting to include: bond hearing, finalize the warrant, discussion of the current use tax, look at a collective bargaining unit and a recommended budget, all in preparation for the January 12 final public hearing.

Councilor Farrell recommended a budget of \$26,598,867 which is \$200K over default.

Councilor Green asked if we needed another Article in case Article 2 does not go through for the bond issue. Town Manager Caron said that decision has to be made on 12/28/11. Councilor Farrell said the operating budget that he brought up will be \$26,598,867 which is \$200K over default. Chairman O'Keefe passed his gavel to Councilor Green. Chairman O'Keefe said he would like to see a default budget and minus whatever you can without losing any people. If

we hope to pass some of the articles on voting day we should give the taxpayers the best budget we can in hopes of better staffing for LFD and funding the special revenue accounts. Come in under default without losing staff. Councilor Farrell responded we are going to have to put a factitious number in for overtime in order to get below default. Chairman O'Keefe responded not necessarily because one of his proposed cuts is looking at the library. Councilor Farrell said we have under budgeted overtime historically by hundreds of thousands of dollars. If we put in what is the real number and then try to get below default that is what is he is trying to do with the \$200K over. Get the real number. Councilor Green gave his suggestions of what to cut. T. Joncas said we have to face it that things cost what they cost. Put in a figure and put it to the voters. Councilor Farrell said we have to cut personnel to get below default. Discussion ensued about putting in factitious numbers versus actual costs. Councilor Farrell said the direction given to the Town Manager is to give us the cause and effect of going below default; give us a number for \$200K over default; and give us the default number. Chairman O'Keefe responded going below default is not an option. Town Manager Caron responded the default budget would mean no layoffs. He said the default budget is \$26,398,000, of that number he has identified \$96K that can be redirected to fund gas at \$72,400.00 and put \$24K towards LPD overtime. He explained the default is the same level of services to the community increased by our contractual obligations in labor, debt service and solid waste. Chairman O'Keefe said default is the number he would like to get to and suggested taking \$200K from the library and whatever else he can do to try to get us to a reasonable number not too far over the budget.

OLD BUSINESS

None.

NEW BUSINESS

Resolution 2011-20 – Relative to an Agreement With Granite Ridge Energy - Chairman O'Keefe made a motion to accept, second Councilor Farrell. Town Manager Caron said that Granite Ridge Energy is a significant tax payer whose assessment is greater than 10% of the overall town assessment. The proposal is to enter into a 3 year agreement beginning this current year through 2013 which represents an increase in assessment from last year's assessment of \$10M next year it will increase to an additional \$30M and the year after an additional \$40M. In 2010 the assessment on the plant was \$350M that will increase to \$430M by 2013 which is about 12-14% of our total tax base. Councilor Dolan pointed out that for the tax year 2011 the plant will be paying around \$6.5M in taxes. Town Manager Caron also said the state wide property is paid directly to the state. **Council's vote 5-0-0.**

Proposed Collective Bargaining Agreement with AFSCME-LAEA-Town Administrative Personnel. - Town Manager Caron explained this contract is similar to the other agreement the Council approved for LAEA Public Safety Personnel. It is a 3 year agreement with cost of living expenses of 0% in FY13; 2% for FY14 and 2% for FY15. Merit increases have been reduced which is similar to the other LAEA agreement. This contract mirrors what the other unions have agreed to. The employees recognize the current economic conditions and were willing to work with the town. If approved the estimated costs for FY14 is \$17K and \$17,600 in FY15. **Councilor Dolan made a motion to approve, second Councilor Green. Council's vote was 5-0-0.**

APPROVAL OF MINUTES

Minutes of Council’s Public Meetings of 11/28/11, 12/01/11 and 12/05/11 - Councilor Farrell made a motion to approve all of the above meetings, second Councilor Dolan. Council’s vote was 5-0-0.

OTHER BUSINESS

Councilor Dolan made a suggestion to dispense with the Liaison and Town Manager Reports due to the late hour. Consensus was to agree with that suggestion.

Liaison Reports –

Town Manager Report –

Board/Committee Appointments/Reappointments –

Resignation of David Kelly from the Solid Waste and Environment Committee.

Resignation of Mark Oswald from the Conservation Commission

Re-appointment of Paul Nickerson to the Conservation Commission, three year term to expire 12/31/14

Councilor Dolan made a motion to approve the above resignations and appointment, second Councilor Green. Council’s vote was 5-0-0.

Reed Clark said we have 2 deliberative sessions in one week which has never been done before. He asked Council if they had any ideas on how to get people to attend both of them. He asked the Council and will ask the School Board to encourage people to attend.

ADJOURNMENT

Councilor Dolan made a motion to adjourn at 11:34PM, second, Councilor Farrell. Council’s vote was 5-0-0.

Notes and Tapes by: Margo Lapietro Date: 12/19/11

Minutes Typed by: Margo Lapietro Date: 12/27/11

Approved; Town Council Date: 01/16/12